Diversity & Inclusion

Policy and Concept

With a shrinking workforce due to declining birthrates and aging demographics, it is important now more than ever to effectively utilize an effective workforce that includes women, senior citizens, and others to develop our business and engage in community-building efforts. Organizations with diverse talent will be able to provide broader perspectives and make better decisions in service offerings from many different views.

Tokyo Tatemono established a Human Resource Policy that includes creating a fulfilling, rewarding workplace in which employees can experience growth and feel satisfaction from their work. We pursue the creation of an environment in which diverse human resources are motivated and dedicated in their work, acting freely without obstacle. The successful activities of our diverse talent will drive services that meet the level of sophistication and diversification in demanded by our own customers.

System

The Tokyo Tatemono Personnel Division works with all group company departments, overseeing labor affairs in a group-wide support system. This division engages under measures to ensure a diverse base of human resources can challenge themselves to grow continuously, acting freely without obstacle.

In January 2020, Tokyo Tatemono established the Human Resources Development Group and Health Management and Diversity Promotion Group to respond to the ever-increasing importance of human resource development and the rising social demand for health management and the promotion of diversity.

Diversity & Inclusion Indicators and Results

<table>
<thead>
<tr>
<th>Category</th>
<th>Units</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full-Time (FT) Employees (Total)</td>
<td>Persons</td>
<td>576</td>
<td>584</td>
<td>687</td>
<td>719</td>
<td>749</td>
</tr>
<tr>
<td>Men</td>
<td>Persons</td>
<td>458</td>
<td>461</td>
<td>542</td>
<td>548</td>
<td>563</td>
</tr>
<tr>
<td>Women</td>
<td>Persons</td>
<td>118</td>
<td>123</td>
<td>145</td>
<td>171</td>
<td>186</td>
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<tr>
<td>Ratio of FT Women Employees %</td>
<td></td>
<td>20.5</td>
<td>21.1</td>
<td>21.1</td>
<td>23.8</td>
<td>24.8</td>
</tr>
<tr>
<td>Ratio of Women Employees %</td>
<td></td>
<td>24.9</td>
<td>25.8</td>
<td>26.6</td>
<td>27.7</td>
<td>28.9</td>
</tr>
<tr>
<td>Managers</td>
<td>Persons</td>
<td>281</td>
<td>295</td>
<td>339</td>
<td>350</td>
<td>360</td>
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<tr>
<td>Men</td>
<td>Persons</td>
<td>275</td>
<td>287</td>
<td>328</td>
<td>334</td>
<td>342</td>
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<tr>
<td>Women</td>
<td>Persons</td>
<td>6</td>
<td>8</td>
<td>11</td>
<td>16</td>
<td>18</td>
</tr>
<tr>
<td>Ratio of Women Managers %</td>
<td></td>
<td>2.1</td>
<td>2.7</td>
<td>3.2</td>
<td>4.6</td>
<td>5.0</td>
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<tr>
<td>Ratio of Women Directors %</td>
<td></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>New Hires (Total)</td>
<td>Persons</td>
<td>15</td>
<td>14</td>
<td>19</td>
<td>22</td>
<td>20</td>
</tr>
<tr>
<td>Men</td>
<td>Persons</td>
<td>10</td>
<td>10</td>
<td>15</td>
<td>14</td>
<td>15</td>
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<tr>
<td>Women</td>
<td>Persons</td>
<td>5</td>
<td>4</td>
<td>4</td>
<td>8</td>
<td>5</td>
</tr>
<tr>
<td>Ratio of Women New Hires %</td>
<td></td>
<td>33.3</td>
<td>28.6</td>
<td>21.1</td>
<td>36.4</td>
<td>25.0</td>
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<tr>
<td>Average Years of Service</td>
<td>Years</td>
<td>10.0</td>
<td>10.5</td>
<td>10.6</td>
<td>10.8</td>
<td>11.3</td>
</tr>
<tr>
<td>Men</td>
<td>Years</td>
<td>10.9</td>
<td>11.7</td>
<td>11.6</td>
<td>12.0</td>
<td>12.5</td>
</tr>
<tr>
<td>Women</td>
<td>Years</td>
<td>8.6</td>
<td>9.1</td>
<td>9.7</td>
<td>9.3</td>
<td>10.4</td>
</tr>
<tr>
<td>Difference in Avg. Length of Service Between Men and Women Employees</td>
<td>Years</td>
<td>3.9</td>
<td>2.6</td>
<td>1.9</td>
<td>2.7</td>
<td>1.7</td>
</tr>
<tr>
<td>Ratio of Disabled Persons* Hired %</td>
<td></td>
<td>2.06(June)</td>
<td>1.88(June)</td>
<td>1.98*(June)</td>
<td>1.87*(June)</td>
<td>1.81*(June)</td>
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<tr>
<td>Ratio of Employees Re-hired at Retirement Age</td>
<td>%</td>
<td>66.7</td>
<td>75.0</td>
<td>91.7</td>
<td>87.5</td>
<td>100</td>
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</tbody>
</table>

- Data Collection Period: January to December each year. Data is as of December of the year in question unless stated otherwise.
- Scope of Collection: Tokyo Tatemono Co., Ltd.
- * Indicates data that has received third-party certification by Lloyd’s Register Quality Assurance Limited (LRQA) to ensure its integrity.
Promoting the Success of Seniors

Tokyo Tatemono has introduced a re-employment policy for retirement-age employees, helping those aged 60 or over to continue to enjoy active, successful careers. Our Personnel Division also holds individual consultations with employees who are approaching the statutory retirement age. These employees have the opportunity to express their wishes about how they want to work based on their individual life plans. These programs let us offer employees the opportunity to be fully active, even after 60 years of age.

In 2019, we launched career design training programs for experienced line managers. These programs help line managers have a positive experience in making career choices on post-retirement-age rehiring.

Promoting the Success of Disabled Persons

Tokyo Tatemono strives to employ persons with disabilities. We have prepared systems that allow disabled persons to enjoy long-term, stable employment. We accomplish this through optimal department assignment based on the individual’s particular qualities, through regular consultations with the Personnel Division, and through working hours set appropriately to the particular circumstances of each disability.
Policy Overview

Paid Leave Carryover Policy Employees may use the paid leave carryover policy. Salary: Paid leave

Re-Employment Policy for Employees who Resigned due to Pregnancy, Childbirth, or Child Rearing Retired employees may petition to be rehired by Tokyo Tatemono.

Salary: Paid leave

Leave Before/After Childbirth
Employees may take up to six weeks of leave before childbirth/up to eight weeks of leave after childbirth.
Salary: Paid leave

Child Rearing Leave Employees may take leave until one month after the first March 31 that falls after their child's third birthday.
Salary: Unpaid (With benefits from employment insurance)

Child Rearing Leave Benefits Employees receive the equivalent of 67% of their salary during child rearing leave (after six months passes, this benefit changes to 50%). Period: Until the child's third birthday

Exemption from Health Insurance/Employee Pension Insurance Premiums During child rearing leave, employees are exempt from premiums for health insurance/employee pension insurance. Period: Until the child's third birthday

Special Leave for Childbirth Employees may take one day of special leave. Salary: Paid leave

Celebratory Monetary Gift for Childbirth Employees may receive 50,000 yen as a celebratory gift for the birth of their child.

Lump Sum Gift for Childbirth/Child Rearing (Including Family Childbirth) Employees may receive a lump sum payment of 420,000 yen for childbirth/childrearing. This payment scales per child for a multiple live birth.

Childbirth Expense Benefits Policy Employees may borrow up to the (statutory benefit) lump sum for childbirth/child rearing at no interest.

Income Tax Exemption for Childbirth Expenses Employees may write off costs incurred during childbirth as a medical exemption from their income taxes.

Nursing Care Leave for a Child Employees may take up to five days leave for their first child or up to ten days for their second and subsequent children between April 1 and March 31 to care for injured or sick children (leave may be taken in half-day increments). Salary: Unpaid Period: Until the conclusion of the child's third year of elementary school

Pediatric Expense Benefits Employees may receive assistance for expenses incurred for medical care of their child.

Child Allowance Employees may receive a child allowance.

Special Babysitter Discount Employees may receive a special discount on babysitter fees if they use an employee benefit service.

Overview of Childbirth and Child Rearing Support Systems

During Pregnancy Available for both men and women * Content in white boxes are stipulated by either regulation or health insurance * Some policies carry conditions such as length of service

Policy Overview

Flextime System Employees may utilize flextime (work start/stop times can be adjusted) Office admin staff not eligible for flextime.

Paid Leave Carryover Policy Employees may use the paid leave carryover policy. Salary: Paid leave

Re-Employment Policy for Employees who Resigned due to Pregnancy, Childbirth, or Child Rearing Retired employees may petition to be rehired by Tokyo Tatemono.

Leave Before/After Childbirth Employees may take up to six weeks of leave before childbirth/up to eight weeks of leave after childbirth. Salary: Paid leave

Child Rearing Leave Employees may take leave until one month after the first March 31 that falls after their child’s third birthday. Salary: Unpaid (With benefits from employment insurance)

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Income Tax Exemption for Childbirth Expenses Employees may write off costs incurred during childbirth as a medical exemption from their income taxes.

During Child Rearing

Policy Overview

Flextime System Employees may utilize flextime (work start/stop times can be adjusted) Salary: Same as ordinary flextime system Period: Until the conclusion of the child’s third year of elementary school

Paid Leave Carryover Policy Employees may use paid leave carried forward. Salary: Paid leave

Re-Employment Policy for Employees who Resigned due to Pregnancy, Childbirth, or Child Rearing Retired employees may petition to be rehired by Tokyo Tatemono.

Shortened Working Hour System Employees may work a shorter six-hour day. Employees may select from five work styles. Period: Until the conclusion of the child’s third year of elementary school

Leave for Child Rearing (Child Rearing Time) Employees may take up to one hour of leave per day. This leave may be taken over one or multiple periods during the day. Salary: Unpaid Period: Until the child reaches their first birthday

Restrictions on Overtime for Child Rearing Employees are limited to no more than 24 hours of overtime per month and must not exceed 150 hours of overtime per year. Period: Until the conclusion of the child’s third year of elementary school

Restrictions on Late Night Work for Child Rearing Employees may be restricted from working between the hours of 10:00 p.m. to 5:00 a.m. Period: Until the conclusion of the child’s third year of elementary school

Exemption from Overtime for Child Rearing Employees may be exempt from exceeding their prescribed work hours. Period: Until one month after the first March 31 that falls after their child’s third birthday.

Nursing Care Leave for a Child Employees may take up to five days leave for their first child or up to ten days for their second and subsequent children between April 1 and March 31 to care for injured or sick children (leave may be taken in half-day increments). Salary: Unpaid Period: Until the conclusion of the child’s third year of elementary school

Pediatric Expense Benefits Employees may receive assistance for expenses incurred for medical care of their child.

Child Allowance Employees may receive a child allowance.

Special Babysitter Discount Employees may receive a special discount on babysitter fees if they use an employee benefit service.
When I gave birth to my daughter, I took about eight months off on maternity and childcare leave. When I returned to work, I took advantage of the short-hour work system. After my child turned one, I was able to use the extended-hours childcare at the nursery school and I began working full time again. I was worried about balancing work and childcare. But, I enjoy work-life balance because of flextime and the trial telework systems, which offer a flexible work-style. It also helps that those around me understand my situation. Sometimes I have to leave work to take my daughter to the hospital or when she comes down with a sudden fever. In these cases, I can use carry over paid leave. Our paid time off system lets me relax and take a refreshing family trip during summer vacation.

In addition, the company offers training for employees who have just returned after child rearing leave. This is a very meaningful program, not only because of the instruction from the lecturers, but also due to the opportunity to exchange information from others who are sharing the same experience.

Tokyo Tatemono Co., Ltd.
Leasing and Consulting Department
Mariko Sawai